

Application No. 09/603,523

Docket No.: E3331.0423

REMARKS

Claims 1-22 are pending. Claim 23 has been cancelled without prejudice.
Claims 1, 7, 13, 19 and 20 are the independent claims.

In the Office Action, claims 1, 4, 5, 7 and 10-23 were rejected under 35 U.S.C. § 102(e) over U.S. Patent 6,260,025 to Silverman et al. (Hereinafter "Silverman".) Claims 2, 3, 6, 8 and 9 were rejected under 35 U.S.C. § 103 over Silverman. Cancellation of claim 23 renders its rejection moot. Applicants respectfully traverse as to the other claims.

Initially, Applicants thank the Examiner and primary Examiner Kazimi for the cordial and productive personal telephonic interview conducted on August 19, 2005. Examiner Karmis has informed me by telephone that the arguments presented at that interview have been found to be persuasive and that the case will be allowed once those arguments are submitted in writing. The arguments presented below are based substantially upon the arguments presented at the interview, but taking into account the amendment cancelling claim 23.

As was discussed at the interview, Applicants submit that no prima facie case of anticipation was established in the Office Action as against independent claims 1, 7, 13, 19 and 20. This is at least because the Silverman patent does not meet at least the feature of the broker node recited in each of the independent claims. The arguments presented during the telephone interview are summarized as follows.

The broker nodes, as recited in the independent claims, create a market view, prescreened for credit, for a trader or group of traders, and also perform the function of matching quotes. That is, each of the broker nodes can perform both a deal matching function and the market view generating function. In this sense, the broker nodes

DOCSNY.170975.1

Application No. 09/603,523

Docket No.: E3331.0423

operate in a peer to peer fashion with one another, since each can actually perform deal matching and, for example, then update other broker nodes of the deal that has been executed.

On the other hand, the Silverman patent describes a host-based system. Moreover, the Intelligent Node (IN) of Silverman, relied upon in the Office Action to meet the feature of the recited broker node, does not perform at least the recited matching function performed by the broker node of the independent claims.

In Silverman, a Host computer (101) receives trader orders from the trader key stations (KS). In particular, bids/offers entered at the KS are transmitted, via the IN, to the Host 101. See Figure 1 and Figure 3, step 311 et seq. As shown in Figure 3, the orders are stored at the Host 101, which broadcasts order book updates to the INs. Credit updates from the Host 101 are also sent to the INs, which use this updated information to recalculate and update the market view to be sent to particular KSs.

From the above, it is clear that the Host 101 receives the bids and offers, maintains the central order book, and all credit information. See col. 4, lines 51-60. The INs use the order book and credit data to perform calculations necessary to generate a credit filtered view of the market for each KS. However, the function of an IN relating to the order book is to *display a credit filtered market view* of the order book. There is no teaching in Silverman that the INs can perform actual deal matching.

In fact, when the Silverman patent is viewed as a whole, it is clear that the INs cannot perform matching. First, if the INs performed matching, they would have to inform the host of any matching transactions so that the main order book resident at the Host 101 could be updated. If this were not done, matches could be made at two different INs for the same bids/offers. However, as shown in Figure 3, it is the Host 101

DOCSNY.170975.1

Application No. 09/603,523

Docket No.: E3331.0423

that receives orders from the KSs (via the INs), stores the orders, and broadcasts the order book *updates to the INs*.

It is also clear from an examination of the disclosed architecture of Silverman's IN that it is not shown to support a deal matching function. As shown in Figure 2, the IN includes a processor 203, as well as storage units for order book and credit information. If the IN were to be able to perform deal matching, the processor 203 would be the element to perform such processing. However, as is made clear at col. 6, lines 14-29, the processor 203 functions to generate display information to enable each assigned KS to display a credit filtered view of the market. No mention is made of the processor matching bids and offers, which, as has been discussed above, are simply passed through to the Host 101.

In summary, there is no indication in Silverman that matching could be performed anywhere except in the Host 101 at least because: (1) the host has all the order and credit information; (2) the Host 101 provides the updates to the INs, not the other way around; and (3) the INs do not include structure that is taught as being capable of performing matching. That is, in Silverman, as is typical of host-based systems, matching is done in the host processor (101), with the host updating the book of orders and sending the updated book of orders to other system components, which, for example to generate an updated market view (which the IN does in Silverman).

In the Office Action, a portion of Silverman was pointed out as allegedly showing matching being done by an IN. Silverman, at col. 8, line 62 through col. 9, line 29 discusses the ability of the IN to provide a personalized market view, customizable to a particular KS. One such view is the average price order market view.

DOCSNY.170975.1

Application No. 09/603,523

Docket No.: E3331.0423

In discussing how the average price order market view is provided,
Silverman says:

An average price order market view displays the average order price available to the trading entity for one or more quantities defined by the trading entity or the system. For example, if the trading entity wants to determine what he/she would pay for quantities of 5 million, 10 million, 15 million and 20 million, the IN attempts to fill these quantities using available orders in the market book. The IN identifies the best available order and the corresponding available quantity, the next-best available order and corresponding available quantity, and so forth until the quantity requested by the trading entity is filled. The IN then calculates the weighted average of the prices of the orders it has used to fill the requested quantity and provides this display information to the trading entity KS. The KS displays the average price to the trading entity. The IN repeats this process for each quantity requested by the trading entity. Col. 9, lines 14-29.

While this portion of Silverman uses the word "fill" in connection with orders, it is clear that it is *not* referring to actual filling of orders in the sense of matching an actual bid with an offer to execute a deal. What is being discussed in this section of Silverman is the IN producing a market view for particular quantities using available orders. In order to create this view, the IN must show different possible orders that could hypothetically fill an order for the requested amounts. However, no actual deal matching is done; it is simply used to create different views of the market for the KS. As discussed above, all actual deal matching can only be done at the Host 101.

In view of the above, it is believed clear that the independent claims are patentable over the cited Silverman patent. The dependent claims are patentable for at least the same reasons.

DOCSNY.170975.1

Application No. 09/603,523

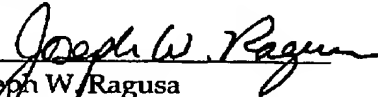
Docket No.: E3331.0423

This Amendment After Final Action is believed clearly to place this application in condition for allowance and its entry is therefore believed proper under 37 C.F.R. § 1.116. At the very least, however, cancellation of Claim 23 clearly eliminates all issues relating to that claim. Accordingly, entry of this Amendment After Final Action, as an earnest effort to advance prosecution and reduce the number of issues, is respectfully requested.

In view of the above amendment and remarks, applicant believes the pending application is in condition for allowance.

Dated: November 3, 2005

Respectfully submitted,

By 
Joseph W. Ragusa

Registration No.: 38,586
DICKSTEIN SHAPIRO MORIN &
OSHINSKY LLP
1177 Avenue of the Americas
41st Floor
New York, New York 10036-2714
(212) 835-1400
Attorney for Applicant

DOCSNY.170975.1